REMARKS

Claim 1, 14 and 20 has been amended without prejuduce.

The Office rejected claims 1-7, 14-18 and 20 under 35 U.S.C. 103(a) as being unpatentable over the US publication of Hughes (20030213598) in view of Martin (3,186,222). Accordingly, independent claims 1, 14, and 20 have been amended to include a cylindrical insert housing that comprises a radial annular recess perpendicular to the central bore and formed into at least one of the proximal end and the distal end - which is not taught or suggested by Hughes or Martin. Hughed does disclose axial transmission element in an axial recess, but does not disclose a recess perpendicular to the central bore of the cylinderical housing. Martin does not disclose axial transmission element. The said independent claims have also been amended to include that the cylindrical housing is inserted into the oversize bore (as described on page 13, lines 5-10) and fixed in place using a secondary shoulder insert comprising engagement grooves. Martin does not teach or suggest a housing inserted into the bore of a pipe and Cook does not disclose fixing a cylinderical housing in a bore with a secondary shoulder insert. Since all of the limitations in amended independent claims 1, 14, and 20 are not taught or suggested by either Martin or Cooke individually or collectively, the Applicants respectfully submit that these claims are now allowable. Since claims 2-7 depend from now allowable base claim 1, and claims 15-18 depend from now allowable base claim 14, the Applicants respectfully submit that these claims are now also allowable.

The Office rejected claims 8, 9, and 10 under 35 U.S.C. 103(a) as being unpatentable over Hughes in view of Martin and further in view of US publication of Allamon et al., (20020061224). The Applicants respectfully submit that the amendment to claim 1, overcomes this rejection as well. Allamon does not teach a cylinderical housing inserted into a bore of a pipe, nor does Allamon teach a radial annular recess perpendicular to the central bore of the cylinderical housing which are limitations in now amended claim 1. Since amended base claim 1 is now allowable, the Applicants respectfully submit that claims 8-10 are now also allowable.

The Office rejected claims 11, 12 and 19 under 35 U.S.C. 103(a) as being unpatentable over Hughes in view of Martin and further in view of US patent of Montgomery et al., (5,166,908). Again, the Applicants respectfully submit that since claims 11 and 12 depend from now allowable base claim 1 and that claim 19 depends from now allowable base claim 14, that these claims are now allowable.

The Office rejected claim 13 under 35 U.S.C. 103(a) as being unpatentable over Hughes in view of Martin and further in view of Montgomery et al., and further in view of publication of Koro (20030102980). Again, the Applicants respectfully submit that since claim 13 depends from now allowable base claim 1 that claim 13 is now also allowable.

In view of the arguments and amendments made herein, Applicants respectfully submit that the application is now in condition for allowance. Accordingly, Applicants respectfully request that a timely Notice of Allowance be issued in this case.

The Commissioner is authorized to charge \$120.00 to Deposit Account 180584 for a one month extension for time. The Applicants believe that there are no other fees due at this time; however, the Commissioner is hereby authorized to charge any fees which may be required at any time during the prosecution of this application without specific authorization, or credit any overpayment to Deposit Account 180584. If there are any questions concerning the above, please contact the undersigned at (281) 878-5658.

Respectfully submitted,

/Jeffery E. Daly/

Electronically signed by Jeffery E. Daly on 1/16/2007

Reg. No. 44,640

Grant Prideco, L.P. 400 N. Sam Houston Prkwy East Suite 900 Houston, TX 77060

Ph: 281-878-5658 Fax: 281-878-5720

e-mail: jeffery.daly@grantprideco.com

CERTIFICATE OF MAILING OR TRANSMISSION

I hereby certify that this correspondence is being deposited with the United States Postal Service as First Class Mail in an envelope addressed to: Commissioner for Patents, Alexandria VA 22313-1450 or by facsimile or electronic transmission to the U.S. Patent and Trademark Office on the date shown below.

1/16/07 /Jefferv E. Daly/
Date Electronic Signature